App. F. IX-4

192 6-7. G.F. File No. 54.26.

Previous References (G.F.) Serial Nos. 748.

G.P.

Later References N.L. 241 - 28 - 182 Preserve

General and Revenue Secretariat.

Serial Nos. 748

Part B for August 27

SUBJECT

Forwards a note on the introduction of Higher Audit in Mysore

---

Sheet 8.

P.27.

To The Comptroller to Govt.
The Secretaries to Govt.

No. PL 1180-6 dt 6.8.27

Directs the introduction of a higher audit scheme in the Comptroller's office.

AP 5/9.

WD 01229—GPB—37,500—1-9-26
App. F. III—2]

Serial No.

Asst Secy orders
"Reports & returns"
1)
Submitted accordingly. Please see the
'el secy remarks in the margin regarding
papers w[ith] P. W. D. Rep[or]t & return & mem
xx 7573 ordering [illegible] in G.F. 54-26-G below
4/1

General and Revenue Secretariat. | File No. of 192 . | 2

Serial No.

1. The Comptroller has sent up proposals for forming a Higher Audit Section in his office on the lines obtaining in the other presidencies in British India. For the present he proposes to attach this work to the Book and Budget Section of his office under his direct supervision and wants to post to that section for this work a - senior and intelligent official. It may be - stated that the suggestion to frame a Higher Audit Section was first made in accordance with the - Member's orders in file No.G.F.54-26 Sls.I-4 (vide flag 'L'). The Comptroller has enumerated the work which he proposes to give to this section, and in framing this he has in his view the rules framed by the Accountant General, Madras, for his office.(vide chapter 9 of the Office Manual of - Budget Section of his A.G. Madras office and also paras 149 to 154 of the Audit Code.) For ready reference I extract below the functions of "Higher Audit" as described in para 151 of the Audit Code.

Book obtained from the comptr's office & put up

28/6

"In place of the formal examination of authorities and of rules, the work should be conducted with greater regard to the broad principles of legitimate public finance. The audit will not only see whether there is quoted authority for expenditure, but will also investigate the necessity

NOTE—Contn. sheet.

WD 2293—GPB—10,000—4-5-27

General and Revenue Secretariat. | File No. of 192 .

Serial No.

necessity for it. It will ask whether individual itmes were in furtherance of the scheme for which the budget provided; whether the same results could have been obtained otherwise with greater economy, whether the rate and scale of expenditure were justified in the circumstances, in fact they will ask every question that might be expected from an intelligent tax-payer bent on getting the best value for his money. The audit officers will also devote more of their time to looking into the manner in which the various executive officers are undertaking their more important financial responsibilities."

The Comptroller has not stated or sent up any draft rules for adoption here; some of the items of work enumerated by him have no applicability in Mysore, eg., scrutiny of the classification of expenditure incurred from Provincial Loans Fund. Again, here, in Mysore, proposals for the development of revenue, investigation of important leakages of revenue and etc., are undertaken by a separate Revenue Audit Officer and there is no corresponding office in British India. Some of the other items of work proposed to be done by the Higher Audit Section are dealt in the Finance Department.

But, however, there is no objection and in fact it is very desirable that the Comptroller be

Combination of Higher audit with Rev audit work may be considered. The Dewan referred to this subject Casually at the K.C. Meeting during the Delhi Session

NOTE—Contn. sheet.

Noted in the proposals for inspection of offices

1-7-27

WD 2293—GPB—10,000—4-5-27

Serial No.

be authorised to have a Higher Audit section in his office to perform the functions referred to modified according to local conditions. The Comptroller suggests that the departmental heads should be - apprised of such work being done in future by him and that their co-operation is necessary for this purpose. He also suggests that when the Finance Department has communicated orders wherein it is not apparent that the particular aspect which ~~the~~ Audit wishes to bring to the notice of Government has been taken into account, he may be permitted - to bring these points again to the notice of Government. With regard to this the Financial Secretary has noted that in such cases the files may be sent to him for perusal. A draft order approving of - the Comptroller's proposals and also dealing with the other points raised by him isputup for consie deration.

The Comptroller has been requested in the - draft proposed to send up for approval of Government the memo of instructions tobe issued for guidance in the Higher Audit Section.

A paragraph may (para to be) also ~~perhaps~~ be devoted in the Audit and Appropriation report for reporting the - work done by this Section. This has also been included in the draft put up for consideration

B 28/6

NOTE—Contn. sheet.

Read 1.7.27

1/—

7488

WD 2298—GPB—10,000—4-5-27

3888

Serial No.

(24/217)

Though the value of audit that is now conducted can by no means be under-rated, time has now arrived when special attention should be paid to what is called "Higher Audit". In British Indian Provinces the importance and utility of "Higher Audit" have especially been recognised after the introduction of the Reforms and as the result of the scrutiny of the Audit and Appropriation Accounts by the Public Accounts Committee. The proposals of the Comptroller to form a Higher Audit Section and to undertake this superior kind of work on the lines laid down in the Government of India Audit Code and Chapter IX of the Madras Manual (Vide para 10 of his note) may be approved.

As pointed out by the Comptroller, orders are required on two specific points. The Heads of Departments and Offices should be requested to co-operate with the Audit Office in the matter of furnishing information and particulars called for by the Comptroller for facilitating the 'Higher Audit' work. The need for such an instruction to Departmental officers is evident from the fact that the Comptroller's enquiries are likely to be regarded as interfering with the departmental administration and as falling beyond the province of audit; e.g., when

Serial No.

an objection was preferred by the Comptroller ~~for~~ a highly paid subordinate being taken to camp by the Head of a Department, Government observed that the matter was one in which Audit should be satisfied with the explanation offered by the departmental authority.

(i) Except when dealing with the local audit of institutions, proposals for development of revenue or for prevention of its leakage are not formulated by the Comptroller. The question of entrusting Revenue Audit functions to the Higher Audit Section may be considered in due course after the new section has been in operation for some time.

(ii) It is necessary that it should now be recognized that ~~the~~ a systematic higher audit of Governmental transactions ~~including~~ embracing expenditure as well as revenue to some extent is one of the functions of the Comptroller. We may for the present, follow the instructions laid down for the guidance of Audit Officers in British India. A chapter on Higher Audit Section may be incorporated in the Mysore Account Code and the Heads of Departments and Offices may be desired to co-operate with the Comptroller in the performance of the work entrusted to him. The Comptroller may be requested to submit a draft for the approval

3688/N

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write at once

of Government.

As regards the second point upon which orders are required viz., whether the Comptroller may take up further investigation of ~~scrutiny of~~ sanctions communicated through the Financial Department, it may be observed that the Financial Department is expected to present before Government the important financial aspects of the case before the orders are communicated to the Comptroller. If, from the orders issued, the Comptroller is not satisfied that the particular aspect which Audit wishes to bring to notice has been duly considered, he may, before taking up the matter, be permitted to look into the Secretariat files bearing on the subject. Such files may, under the direction of the Member in charge, be forwarded to the Comptroller for perusal. This will obviate unnecessary references by the Comptroller.

The exercise of Higher Audit functions requires some amount of tact on the part of Audit Officers with a view to avoid friction between Audit and Departmental authorities, and as experience is gained, definite instructions on subsidiary points arising for settlement may be issued by Government.

A draft is put up for approval.

Noted 4/7

OFFICE OF THE ECONOMIC ADVISER TO GOVT. OF INDIA
4 JULY 1927
No. 71

Note—Comptr. Gen.

342/7/7

2nd member

I with 4 pieces 2.7.27
Sent with Pl Secy
7.7.27

Serial No.

503

16 The audit now conducted is more or less routine and as observed by the Financial Secretary it is necessary to vitalise it and this can be done only if the Higher ~~xxxxx~~ work of Audit is ~~xxxxx~~ concentrated in a special section of the Comptroller's Office and equip it with a competent staff. The organisation of such a section need not involve any additional cost as it should be possible to spare a few hands required for it from the other sections of the Comptroller's Office. It is difficult to define now the exact lines on which the work of this section should be conducted or the scope of work ~~xxxxxx~~ to be undertaken by it. The Comptroller may, therefore, be allowed freedom to entrust to the section, to be newly opened with this object, such special work as he considers desirable to undertake with a view to make audit more alive to its essential objects, more helpful to the Administration and more vigilant for securing real economies. In the light of experience gained, say during a period of six months or a year, it may be possible for the Comptroller to enunciate the general lines of his work which may then be formally approved by Government with or without modifications. In the

1107 and

NOTE—Contn. sheet.

WD 2298—GPB—10,000—4-5-27

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Serial No.

the meantime, the work may be started on such lines as the Comptroller considers possible or desirable, adopting, as a general guide, the rules laid down in the Chapter on Higher Audit of the Manual of the Accountant-General, Madras. He may be requested to start this work and submit reports to Government regarding the results of Higher Audit performed, the action which he has himself taken on such results, and the cases which call for the orders of Government.

17 The Comptroller may obtain from the Heads of Departments concerned information additional to that furnished in accounts, vouchers and other documents received by him necessary for the performance of this work. If there is any difficulty in obtaining information which he requires for this work from any department, he may report such cases to Government.

DEWAN'S OFFICE. Received on 23 JUL. 1927 Reg. No. 809.

Dewan) for kind perusal upon 22/7/27
issue of orders by Comptr. 22/7/27
I guide agree on the
Needs compliance of the rule 4
Comptr. upto above
22/7/27

1205/27 NOTE—Contn. sheet.

Read at 5 P.M. 26/7

WD 2293—GPB—10,000—4-5-27

a/s. Fin. Draft-al- are in
P. Re. 26/7/27 Dewan

3688

App. F. III—2]

General and Revenue Secretariat. | File No. | of 192 .

Serial No.

Wd abroad

A draft R.o is sent as per orders supra. Perhaps it need not be printed in the Confdl, nor placed on the Press table as it is merely an Official order.

No.

No action under consideration

1386
28.7.27

Sd/ 29/7

Sd/ 28/7/27
for Secy)

2nd member

28/7/27

Sd/ 28/7/27

OFFICE OF THE SECOND MEMBER OF COUNCIL
30 JULY 1927
No. 652

Issue

1545
1/8

8. No 2e 1180-6 of 6.8.27 to the Commr Cal, Secretaries to Govt. Secretaries to introducing a higher audit Scheme in the Compld Offices and Calls for a report after 6 months or one year with a set of rules

Press Sno.
On receipt of Printed Copies, Record (B) & Sno for 6 months.

Sd/ 8/8/27

NOTE—Contn. sheet

WD 0824—GPB—60,000—24-5-27

C. O. 42. Gl.

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. 1078/TADB. / En 3 files

Bangalore, Dated....1st....March.....192 7.

193

FROM

S. SHAMANNA, ESQ., B.A.,
Comptroller to the Government of
His Highness the Maharaja of Mysore,
BANGALORE.

FINANCIAL SECRETARIAT
7 – MAR. 1927

DIARY NO. 3685
1926 – 27
S. & A. G.P. No. 4
54-26

To

B. Sreenivasa Iyengar, Esq., B.A., B.L.,
Secretary to the Government of Mysore,
Financial Department, ~~Bangalore~~.

SIR,

With reference to para 2 of your letter No. Fl. 1985 G.F. 54-26-4 dated 30th August 1926, I have the honour to forward herewith a note on the introduction of "Higher Audit" in Mysore.

I have the honour to be,

Sir,

Your most obedient servant,

S. Shamanna
Comptroller.

S.S.

HIGHER AUDIT.

The work of Higher Audit is described in paras 149 to 154 of the Audit Code (Government of India) and the procedure in force in the Madras Accountant General's Office is described in chapter IX of the Office Manual of the Budget Section of that Office. In the Audit and Appropriation Reports of the several Provinces in British India, the particular items of work on which Higher audit was conducted are given. From these materials, what it is necessary and desirable to do here will have to be considered.

2. The detailed arrangements for Higher Audit as taken from the Madras Manual are as follows:-

The work of the Higher Audit Section is to examine whether or not the general principles of legitimate finance are borne in mind both by disbursing Officers and by sanctioning authorities and to see that audit is conducted not merely on critical lines but also to assist such officers and authorities and the legislature in protecting the interests of the tax payer, developing revenue and effecting economies in expenditure wherever possible. The following duties devolve on this Section:-

(a) check of all orders of financial delegation;

(b) General scrutiny of rules and orders to see that they are consistent with the essential requirements of finance, accounts and audit;

(c) scrutiny of the classification of expenditure incurred from Provincial loans fund;

(d) settlement of questions relating to commercial undertakings under the scope of Chapter 2 of the Account Code;

(e) scrutiny of Administration Reports dealing with public expenditure;

(f) audit of expenditure with reference to the canons of financial propriety;

(g) scrutiny of writes-off of allowances of Government

Government servants; and

(h) investigation of cases sent by other sections for suggesting economies in expenditure or developing revenue.

3. For the efficient discharge of the duties referred to above, the following procedure is observed:-

(a) Check of all orders of Financial Delegations -

All orders of delegation of financial authority should be carefully examined in the Higher Audit Section, and formally approved of by the Accountant General before they are notified for the guidance of the Audit sections concerned, as once they have been accepted, audit against them may be conducted for an indefinite length of time. For this purpose, orders of such delegations received in office should first be sent to the Higher Audit Section for scrutiny. Generally this office (and this section) is consulted before delegations of power are sanctioned, in which case, the Audit Sections should send the final orders passed to the Higher Audit Section for note.

(b) Scrutiny of rules and orders -

All financial rules and orders affecting expenditure and other transactions subjected to audit are scrutinised before the audit of the transactions which they govern can be conducted against them.

(c) Scrutiny of the classification of expenditure incurred from Loans Fund. -

The rules framed by the Auditor General for the guidance of the Audit Office are applied.

(d) Question relating to commercial undertakings -

All questions relating to the commercial undertakings of the Local Government and the maintenance of such pro forma and ~~kkexxxxxxxxxxxxxx~~ other accounts as are necessary should be dealt with in the Higher Audit Section. Audit sections should bring to the notice of this Section the existence of any such commercial undertaking or any Government undertaking the

the account of which they think may well be kept in commercial form (see also Articles 142 to 144 of the Audit Code.)

In addition to the maintenance of proforma and other Accounts, the agreements drawn up between Government and Private Bodies are also scrutinised and seen that provision is made in the contract that Government shall have full right to have the books and account of such private concerns independently audited by its own auditors.

(e) Scrutiny of Administration Reports -

On receipt of the Administration Report of the Local Government, the portion dealing with public expenditure and the several items of expenditure are examined and seen that the scope of the report is in accordance with the objects of the Department.

(f) Audit of expenditure with reference to the canons of Financial propriety. -

Objection is taken or investigation is made as in the appended list of cases referred to in the T.A.D. Manual, Burma.

(g) Scrutiny of writes-off of allowances of Government servants -

All orders of writes-off of allowances drawn by Government servants are examined and entered in the register of over-payments, etc., written off, maintained in the Section.

(h) Investigation of cases sent by other Sections of the office -

Cases are referred to this section for the following purposes:-

(i) for suggesting economies in expenditure when large sums are involved in any work or undertaking.

(ii) for investigating particular cases of irregularity or loss of Government money and for suggesting a remedial measure.

(iii) for suggesting proposals for the development of

of revenue.

(iv) for the investigation of cases where it is suspected that the rates charged are unduly high.

(v) cases where there is suspicision of extravagance and the amount involved is not insignificant.

4. In addition to the cases referred to it by other Sections of the office, this section is required to examine selected vouchers audited in the several audit sections of the office, by the application of the audit canons.

5. A statement showing points considered by the Higher Audit Sections in British India during the last few years is attached.

6. So far, no systematic arrangements for Higher Audit have been made here. Each Audit Section deals with its own cases and makes no distinction between important cases and routine cases. We are not in the habit of taking up special cases for investigation.

7. To a great extent, the checking of sanctions accorded by Government and of general rules and orders bearing on Accounts and Account Procedure is done here by the Finance Department and it is in very few cases that the Account office is consulted before the issue of orders. In any case, orders communicated through the Financial Department are generally accepted as final and are not checked and commented on as a rule by this office.

8. In regard to special investigations which have to be done mostly in consultation with Departmental Officers, not much is being done now, as there is no definite understanding between the Departments and the Audit Office in such matters and Audit Investigations will be regarded as an intrusion on their sphere of duty.

9. Higher audit on the lines in British India is to a

a great extent possible only when audit enjoys a great degree of independence and departments are not apt to question its enquiries.

10. There is no doubt about the importance or utility of Higher audit but it is for consideration how far it is possible in the circumstances prevalent here. However, if Government is desirous of this kind of work being done here, on the lines in British India, I have no objection to make a beginning. The work will be done in the Books & Budget Section under my direct supervision by attaching to it a senior and intelligent official.

11. To prevent misunderstanding, it will be necessary (1) to inform Departmental Heads that such work will be taken up by this office in future and their cooperation is required, and (2) to permit me to bring to the notice of Government, points in Government orders, even when the Finance Department has communicated them, wherein it is not apparent that the particular aspect which audit wishes to bring to notice has been taken into account, before passing orders.

S.S.

S. Shanmuga
Comptroller.

T. A. D. Manual, Burma.

List of important Cases dealt with in Higher Audit Section

The following is a list of examples, which is of course not exhaustive, in which objection should be taken or investigation should be made with reference to the audit canons:-

(a) When a post is created in an Office carrying a rate of pay appreciably higher than the pay of a similar post in the offices of the same locality or of a like post in similar offices of the adjoining districts, exception should be taken in higher audit.

(b) When it is found in higher audit that certain posts have remained vacant in an office or in an establishment for a long time, an enquiry should start whether the vacant posts could not be abolished.

(c) When a proposal is received for the grant of special pay to the incumbents of an office on account of the unhealthiness of the locality, an enquiry would be justified as to whether the posts could not be filled in by qualified candidates of the locality, who could stand the climate better, thereby obviating the necessity for the grant of the local allowance or special pay.

(d) When officers or subordinates of higher rank or higher pay are appointed for a length of of time to do the work of officers of inferior rank or smaller pay, an enquiry should be made to ascertain whether the higher posts could not be reduced to the lower. In pursuance of this principle objection will be taken in higher audit if a public officer takes a constable with him on tour to do a peon's work, etc.

(e) When a premature claim to increment is presented, the grounds for the claim should be carefully scrutinized to ascertain whether the claim was justified by its necessity in the interests of the public service.

(f) When a temporary office is started for a short term only, the furniture of the office need not be costly as that of a permanent office.

(g) When the renewal of the furniture of an office is of frequent occurrence, the matter should be investigated in higher audit.

(h) When the amount of a charge under any detailed head of contingencies, which is not of a fixed recurring nature, remains stationary for months together, an investigation should be made to make sure whether the amount was actually expended.

(i) Charges under the detailed head "Miscellaneous" should be carefully scrutinized to see whether they are in accordance with the audit canons. In regard to contract contingent bills in which details of charges are not generally furnished, details should be called for if on the face of it, there has been extravagant expenditure.

(j) Rates paid for work done and supplies made should receive special attention. Individual abnormalities in rates should be carefully watched. Besides, periodical institution of a comparative examination, through the vouchers and accounts received for audit, of the rates paid by various officers in the same or neighbouring localities will be useful. The assistance of the Finance Department may be invoked in obtaining reliable

schedules of rates and other necessary information.

(k) Claims for travelling allowance should be scrutinized with special regard to the necessity, frequency and duration of journeys and halts.

(l) To check abuses of claims to mileage, higher audit should be specially searching to see that the place of halting at the end of a journey of more than 20 miles in a day is also a place of duty of the officer. If the journey on the next day is to a place in a backward direction, an enquiry should be made to ascertain why the previous day's journey could not end at that place. If the journey is in a forward direction within a few miles off the station where the officer broke the journey on the previous day, higher audit may enquire why the journey could not conveniently be ended on the previous day to cover a shorter distance.

(m) Claims to fares in a higher class than that in which an officer actually travels are likely to crop up, and higher audit should be watchful in this direction.

(n) When it is noticed that an officer frequently makes short journeys by rail or steamer to and from his headquarters station and claims daily allowance which is much in excess of the fares to which he would be entitled under the rules the point should be taken up in higher audit with reference to canon 6 for a settlement as to whether the claim to daily allowance could not be limited to the amount of fares admissible.

(o) Claims to travelling expenses under Article 1037, C.S.R. for journeys by special means of

conveyance should be specially scrutinized to find out whether the means of conveyance used was actually a special means of conveyance for the purpose of Article 1037 C.S.R.

(p) Claims for the conveyance of motor-cars, horses, etc., from one place to another should be scrutinized with reference to the necessity for the use of the conveyances at the latter place in the interests of the public service. Such claims from the plains to any hill station and back should form cases for special watch.

(q) Fixed amounts of contributions recoverable from Municipalities or other Local Funds, etc;, for services rendered by Government or the like should be scrutinized from time to time for seeing whether they need any revision in consideration of any rise in the cost of the services for which the recoveries are made.

Scrutiny of March Expenditure.

The post audit examination of the expenditure for the month of March should be specially searching to detect payments in anticipation of requirements and extravagance. The object has to be secured by special vigilance in respect (i) of vouchers or actual payees' receipts not received on due dates (ii) of cheques drawn at the close of the year but not cashed immediately or cancelled after some time, thus indicating attempts to avoid lapses of grants, (iii) of write back of charges to works or refund of the amounts in cash in subsequent months indicating that the charge was not a bona fide transaction (iv) of overtime charges not out of urgency (v) of purchase of stores in excess

excess of requirements and (vi) of other outlay exceeding what the occasion demands.

Note. - A reference is invited to Article 649 of the Audit Code for the examination of the March accounts of Public Works Divisions which indicate an unusual and serious rush of payments towards the close of that month.

Important Points to be Noticed.

The following points should also be kept in view as they constitute breaches of financial rules:-

(a) attempts to evade financial rules by manipulation of vouchers or accounts;

(b) splitting up one scheme of expenditure into a number of items to avoid sanction of higher authorities;

(c) withholding ~~current~~ correct information from the Audit Office; and

(d) persistent neglect to comply with audit requirements.

3.3.27

Nature of cases considered in Higher Audit in British India.

No.	Nature of cases.	Reference.
	I. Rent.	
1.	Whether the concession of allowing free quarters has been misused.	Page 43 of Madras 25-26 Audit Report.
2.	Whether charges for maintenance of residential buildings are within the permissible limits.	Page 46 -do-
3.	Adequacy of rent realised from Residential buildings.	Page 47 -do-
4.	Whether Government Buildings are allowed to remain unoccupied for long periods or allotted to Officers on smaller pay resulting in inadequate returns.	Mad. 23-24 P. 39.
	II. Travelling Allowance.	
1.	Whether T.A. is claimed even when free accommodation is allowed.	Page 43 Madras 25-26
2.	Whether Touring Officers are taking with them highly paid subordinates.	P. 31 Central Revenues 23-24.
3.	Frequency of journeys for certain specified purposes. Whether there is necessity for this and whether it cannot be provided for at a smaller expense.	P. 31 & 32 Central Rev. 23-24. P. 11&12 Burma 21-22.
4.	Whether the present T.A. Rules are over liberal to any one class of people.	Mad. 23-24. 38.
5.	Whether Officers are taking unnecessary number of peons with them.	Burma 24-25 P. 14
	III. Contracts.	
1.	Allowing lease of Government land or property without public auction.	Page 45, Mad. 25-26.
2.	Whether loans granted by Government to private parties and Companies are recovered by adequate safe-guards against loss.	Burma 24-25 P. 12
	IV. Purchase of material without due regard to Government Interests.	
1.	Whether articles which are usually required throughout the year have been arranged to be purchased on regular contracts.	Page 44 Mad. 25-26.
2.	Whether issues of materials to any work, are based upon regular data and whether there are no excessive issues.	Page 44, Mad. 25-26.
3.	Whether the stores balances are not excessive.	Page 47, Mad. 25-26.
4.	Whether any articles are first purchased by Government and supplied to its servants and whether this arrangement is in the interests of Government.	Page 47, Mad. 25-26. Burma 24-25 P. 15.

V. Miscellaneous.

1. Whether delay in the disposal by Heads of Departments and others of appeals against suspension, etc., is causing loss to Government.	Page 46 Mad. 25-26.
2. Whether articles purchased for the use of Government servants e.g., umbrellas for peons, are given only to people who are doing the appropriate duty.	Central Rev. 23-24 P. 33.
3. Whether charges for cooly hire if they are of a recurring nature could not be provided for with less expense by engaging a regular peon.	Central Rev. 23-24. P. 33.
4. Whether in view of the increased cost of maintenance the proper hire charges for renting Government property, are recovered.	Madras 23-24 Page 37
5. Whether reduction in cost may not result by entrusting the superintendence of Govt. Examinations to Government servants.	Mad. 23-24 P. 37.
6. Whether adequate charges are recovered from responsible parties for maintenance of lunatics.	Burma 24-25 P. 14.
8. Reviewing the expenditure on the maintenance of prisoners in Jails and making suggestions for improving Jail Receipts.	Audit Report of Central Revenues for 1921-22. P. 11.
8. Cost of higher education and suggestions for increase of receipts of curtailment of expenditure.	" 11.
9. Whether the realisation of sale proceeds of old and unserviceable medical stores in Government Hospitals and dispensaries has been credited to Government.	" 12.
10. Review of Dietary charges in Hospitals.	" 12.
11. Postage charges incurred by the Imperial Bank of India.	" 13.
13. Reduction of staff employed in Government of India Secretariats in consequence of the Reforms.	" 13.

N
3.3.27

G.R.S. VI G 34]

SUBJECT.....

Diary No. of letter replied to..... 3688

General and Revenue Secretariat

( )

, the 192 .

Date of issue.... 6.8.27

Signed by.....

Section G.F.S.

File No. 5X.26

Serial No. 8

Proceedings of the Government of His Highness the Maharaja of Mysore

Read— Correspondence ending with letter No. 1078/F.A.283 & 1/3.27 from the Comptroller & Auditor General on the introduction of a Separate Audit Scheme in Mysore

May this be

i Printed ? Yes

ii treated as a standing order ? Yes

iii published in the Gazette, English Part ? No

iv translated ? No

v placed at the disposal of the press ? No

vi published in the Gazette, Kannada Part ? No

Order Thereon No. Fin No. Fin 11180-68

6.8.27

Audit was conducted more or less on routine lines and Govt. consider it necessary to distribute it. This initiative in Audit can be done only by the highest audit authority is Centralised in a special Section of the Comptroller and Auditor General's Section

Govt. consider that the Accountant General should be vitalised & the audit office should take up the audit function also —

competent staff. [illegible] a scheme
of such a section need not involve
any additional cost, as it should be
possible to spare a few hands required
for it from the other sections of the Comptr's
office. It is not necessary difficult to define
now the exact lines on which the work
of this section should be conducted
or the scope of work to be undertaken
by it. The Comptr is then requested will
at an interval to this Section, to be newly
opened with this object, such special
work as he considers desirable to undertake
with a view to make audit more alive
to its essential objects, more helpful
to the Administration and more vigilant
for securing real economies. After
the expiry of 6 months, the Comptr is may
requested to formulate & circulate the general lines
of this work in the light of experience
gained & submit them for the approval
of Govt.

& for orders if this may remain unsettled after 14 days

In the meantime, the Comptr is
requested to start the work on such
lines as he considers possible or desirable;
adopting, as a general guide, the rules
laid down in the Check & Audit
Manual of the Accountant General
Manual; drawn, and reports about be
submitted to Govt regarding the results
of the audit performed, the action
which the Comptr has himself
taken on such results & the cases
which call for the orders of Govt.

The Comptr is also authorised

List of enclosures.

Copied by

Examined by

WD 1583—G.I.P.S.—1,000,00—21-12-21

G. R. S. G/33]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

will
to obtain from Dist. Heads of
~~the Secretariat Staff~~
Depts concerned information
additional to that furnished on
Accounts, vouchers & the Revenue
received by him in the usual course
necessary for
the performance of his work.
If there is any difficulty in obtaining
information which he requires
for his work from any Dept
he may report such cases
to Govt.

h
28/7/27
PC Secy

PW.
29/7/27

Rule
31.7.27

To the Comptr
~~Dist Accts of Police~~
~~Director of Stores~~
Secretariat of Govt

SC
27/7

WD 2280—GPB—1,00,000—23-7-20

Government of His Highness the Maharaja of Mysore.

FINANCIAL DEPARTMENT.

G. O. No. Fl. 1180-6—G. F. 54-26-8, dated 6th August 1927.

Higher Audit Scheme.

Directs the introduction of a —— in the Comptroller's Office.

READ—

Correspondence ending with letter No. 1078—T. A. D. B., dated 1st March 1927, from the Comptroller, submitting a note on the introduction of a Higher Audit Scheme in Mysore.

ORDER No. FL. 1180-6—G. F. 54-26-8, DATED 6TH AUGUST 1927.

Government consider that the Audit now conducted on more or less routine lines should be vitalised and that the audit office should take up higher audit functions also. This vitalisation of audit can be done only if the higher audit work is concentrated in a special section of the Comptroller's Office equipped with a competent staff. The organisation of such a section need not involve any additional cost, as it should be possible to spare a few hands required for it from the other sections of the Comptroller's Office. It is not necessary to define now the exact lines on which the work of this section should be conducted or the scope of work to be undertaken by it. The Comptroller will entrust to the section, to be newly opened with this object, such special work as he considers desirable to undertake, with a view to make audit more alive to its essential objects, more helpful to the Administration and more vigilant for securing real economies. After the expiry of six months or a year the Comptroller may formulate general lines of this work in the light of experience gained and submit them for the approval of Government.

In the meantime, the Comptroller is requested to start the work on such lines as he considers possible or desirable, adopting, as a general guide, the rules laid down in the Chapter on Higher Audit of the Manual of the Accountant-General, Madras, and submit reports to Government regarding the results of Higher Audit performed the action which he has himself taken on such results and the cases which call for the orders of Government.

The Comptroller will obtain from the Heads of Departments concerned information additional to that furnished in accounts, vouchers and other documents received by him in the usual course, necessary for the performance of this work. If there is any difficulty in obtaining information which he requires for this work from any Department, he may report such cases to Government.

B. SRINIVASA IYENGAR,
Secretary to Government,
Financial Department.

To—The Comptroller to Government.
The Secretaries to Government.

Exd.—P. S. R. N.

WD 922—GPB—485—18-8-27